Understanding College Students’ Purchase Behavior of Fashion Counterfeits: Fashion Consciousness, Public Self-Consciousness, Ethical Obligation, Ethical Judgment, and the Theory of Planned Behavior

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Master of Science

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This thesis titled
Understanding College Students’ Purchase Behavior of Fashion Counterfeits: Fashion
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Theory of Planned Behavior

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ABSTRACT

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Understanding College Students’ Purchase Behavior of Fashion Counterfeits: Fashion Consciousness, Public Self-Consciousness, Ethical Obligation, Ethical Judgment, and the Theory of Planned Behavior (65 pp.)

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The purpose of this study was to examine the influence of college students’ attitudes toward fashion counterfeits on their purchase intentions. Additionally, this study explored how college students’ attitudes toward fashion counterfeits are affected by past purchase experience and personality traits, such as fashion consciousness, public self-consciousness, ethical obligation, and ethical judgment using the Theory of Planned Behavior as the theoretical framework. A total of 341 completed surveys were collected from students at a Midwestern University in the U.S. One-way ANOVA, independent t-test, regression, and correlation analyses were used to test the hypotheses. Statistical results suggest that college students’ purchase intentions of fashion counterfeits are dependent on their attitudes toward fashion counterfeits, which in turn are influenced by their past purchase experiences, their beliefs about the benefits and risks of buying fashion counterfeits, and their ethical judgment. Ethical obligation, however, does not have a significant influence on attitude.

Approved: _____________________________________________________________

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CHAPTER 1: INTRODUCTION

Overview and Background

Counterfeits are defined as reproduced copies that are identical to the legitimate articles, including packaging, trademarks, and labeling (Kay, 1990). Their appeal to consumers is clearly that they look like the real thing, yet cost only a fraction of the price of the original (Rath, Bay, Petrizzi, & Gill, 2008). Counterfeiting is a significant and growing problem worldwide, occurring both in less and well developed countries (Matos, Ituassu, & Rossi, 2007). The phenomenal growth of counterfeiting causes serious economic and social problems that threaten the lives of unsuspecting consumers, wreak economic havoc, and weaken consumer confidence in manufactured or branded products (Tom, Garibaldi, Zeng & Pilcher, 1998).

According to the U. S. Customs and Border Protection Office of International Trade (2007), 70 percent of counterfeited goods are fashion counterfeits, such as handbags, watches, jewelry, shoes, clothes, hats, sunglasses, and perfume. Fashion counterfeited clothes, shoes and handbags from designer brands such as Louis Vuitton, Chanel and Gucci are made in varying quality. Sometimes, the intent is to fool the gullible buyer who only looks at the label and does not know what the real thing looks like, while others put some serious effort into mimicking fashion details and intend to deceive through misrepresentation. Compared to other counterfeited goods such as pharmaceuticals, food or auto parts, fashion counterfeit products are not directly harmful to the human body. This may explain the acceptance and the consumption of fashion
counterfeit goods. Consumers who buy counterfeit goods may not realize the economic
damage that their activities cause legitimate manufacturers (Tom et al., 1998).

Counterfeiting causes negative influences on government tax revenues, market
order and fair competition, and economic development. Counterfeiters participate in the
economic black market, because they pay no taxes, causing states to lose legitimate
revenue (Ha & Lennon, 2006). It is estimated that counterfeiting is a $600 billion a year
problem (IAAC, 2008). It is a problem that has grown over 10,000 percent in the past two
decades up from $5.5 billion in 1982 (IAAC, 2008). According to a recent International
Trade Commission study, a $100 billion counterfeit market translates into a global loss to
businesses of $200 billion a year (Chaudhry, Cordell, & Zimmerman, 2005). The U. S.
economy is losing millions of dollars in tax revenue and tens of thousands of jobs
because of the manufacture, distribution and sale of counterfeit goods. Counterfeiting
costs U. S. businesses $200 billion to $250 billion annually (IAAC, 2008).

Part of the reasons for this lucrative business is that the margins are high and
demand is strong (Ang, Cheng, Lim, & Tambyah, 2001). Counterfeiting has flourished
due to strong worldwide demand; there is a continuing demand among many buyers
(Bloch, Bush, & Campbell, 1993). Consumers who purchase counterfeit merchandise risk
funding nefarious activities, contributing to unemployment, creating budget deficits and
compromising the future of this country in the global economy (IAAC, 2008). Some
researchers consider counterfeit purchasers to be indirect conspirators with
counterfeiters’ criminal and illegal economic activities when they purchase counterfeits
(Bloch et al., 1993).
Despite the seriousness of the counterfeiting problem, there is limited research on the subject in the literature, particularly in the area of understanding consumer behavior towards counterfeits (i.e., Ha & Lennon, 2006; Penz & Stottinger, 2005; Wee, Tan, & Cheok, 1995). Most of the attention in the literature relates only to the supply dimension of the counterfeiting problems.

Statement of the Problem

As the supply of fake products has been growing dramatically across the globe, copyright owners and governments find themselves in a constant battle against counterfeiters. Some companies are hiring private investigators to track down counterfeit merchandise and are then suing those selling it. In addition to businesses’ efforts to fight back against counterfeiters, government and law enforcement are also playing a stronger role by passing tougher laws and cracking down on sellers, shippers, and even landlords who rent to businesses marketing fake goods (Rath et al., 2008). The counterfeiters are hardened criminals, exploiting consumers, businesses both large and small, inventors and artists and children laboring in sweatshops in Third World countries.

In the case of counterfeiting, the academic literature displays a strong focus on the supply side of counterfeiting industry, while the demand side has been neglected badly (Ha & Lennon, 2006; Penz & Stottinger, 2005), because most of the anti-counterfeiting activities taken by business firms relate to the supply dimension. Despite the supply-side efforts to reduce counterfeiting, the fashion counterfeit area appears to be growing (Bloch et al., 1993). Economic theory suggests that if there is little or no demand for a product, supply will decrease. The demand side of this problem is clearly an issue of consumer
behavior (Miller, 1999). It can be argued that counterfeiters are good marketers because they have found a need and are finding a way to fulfill it (McDonald & Roberts, 1994).

Purpose of Study

The purposes of this study are: (a) to determine the influence of college students’ attitudes toward fashion counterfeits on their purchase intentions; (b) to investigate the influence of past purchase experience on college students’ attitudes toward and purchase intention of fashion counterfeits; and (c) to investigate the relationship between college students’ attitudes toward fashion counterfeits and the following personality traits: fashion consciousness, public self-consciousness, ethical obligation, and ethical judgments about purchasing fashion counterfeits.

Young consumers are usually conscious of their dress. The fashion conscious young consumers are often active adopters and leaders of fashion trends (Sproles, 1979). Piacentini and Mailer (2004) mentioned that young people tend to have a strong desire to communicate their maturity and adultness to their peers through their consumption. Gathering material possessions is a way of establishing their identity and gaining much-needed prestige (Belk, 1988). Young consumers do not have money, but have a desire to buy prestige fashion products. Cordell, Wongtada and Kieschnick (1996) found that college students are frequent users of counterfeit products. Other research identified college students as representative of at least one segment of the population that knowingly purchases counterfeits (Chakraborty, Allred, Sukhdial, & Bristol, 1997). In addition, young adults possess the moral maturity to assess justice issues (Cordell et al., 1996; Kohlberg, 1976).
There have been many studies on consumer behavior related to fashion counterfeits. Among those, only a few studies have used the Theory of Planned Behavior (TPB) (Ajzen, 1991), which has been viewed as providing a useful conceptual framework for dealing with the complexities of human social behavior (Ajzen, 1991). This current study used the TPB model as a theoretical framework to explain consumers’ purchase intention of fashion counterfeits.

The central factor in the Theory of Planned Behavior is the individual’s intention to perform a given behavior. Intention is a strong indicator of actual behavior. In brief, the TPB states that behavior is determined by the intention to engage in such behavior, which in turn, is determined by the attitude toward the behavior, the subjective norm, and the perceived behavioral control (Ajzen, 1991).

This study focused on the influence of attitude on purchase intention. Additionally, this study explored how college students’ attitudes toward fashion counterfeits were affected by personality traits, such as fashion consciousness, public self-consciousness, ethical obligation, and ethical judgments about purchasing fashion counterfeits.

Research Questions and Hypotheses

With the above purposes set for this study, the following research questions were developed:

1. What is the relationship between college students’ attitudes toward fashion counterfeits and their purchase intention of fashion counterfeits?
2. How do college students’ previous purchase experiences of fashion counterfeits influence their purchase intentions and attitudes toward fashion counterfeits?

3. How do college students’ personality traits, such as fashion consciousness, public self-consciousness, ethical obligation and ethical judgment, influence their attitudes toward fashion counterfeits?

The following hypotheses were developed to address the above research questions:

*Hypothesis 1.* There is a significant positive relationship between college students’ attitudes toward fashion counterfeits and their purchase intentions. That is, college students who have high purchase intentions for fashion counterfeits will have more favorable attitudes than those who have low purchase intentions.

*Hypothesis 2a.* College students who had previous purchase experiences of fashion counterfeits will have higher purchase intentions than those who did not.

*Hypothesis 2b.* College students who had previous purchase experiences of fashion counterfeits will have more favorable attitudes toward purchasing fashion counterfeits than those who did not.

*Hypothesis 3.* Beliefs of the benefits of purchasing fashion counterfeits will have a positive influence on college students’ attitudes toward purchasing fashion counterfeits. That is, the stronger the beliefs of the benefits of purchasing fashion counterfeits, the more favorable the attitudes toward purchasing fashion counterfeits.

*Hypothesis 4.* Beliefs of the risks of purchasing fashion counterfeits will have a negative influence on college students’ attitudes toward purchasing fashion counterfeits.
That is, the stronger the beliefs of the risks of purchasing fashion counterfeits, the less favorable the attitudes toward purchasing fashion counterfeits.

**Hypothesis 5.** Ethical obligation will have a negative influence on college students’ attitudes toward purchasing fashion counterfeits. That is, the stronger the ethical obligation, the less favorable the attitudes toward purchasing fashion counterfeits.

**Hypothesis 6.** Ethical judgment will have a negative influence on college students’ attitudes toward purchasing fashion counterfeits. That is, the stronger the judgment of purchasing fashion counterfeits as unethical, the less favorable the attitudes toward purchasing fashion counterfeits.

**Hypothesis 7a.** There will be a significant positive relationship between college students’ fashion consciousness and their beliefs of the benefits of purchasing fashion counterfeits. That is, the higher the fashion consciousness, the stronger their beliefs of the benefits of purchasing fashion counterfeits.

**Hypothesis 7b.** There will be a significant positive relationship between the college students’ fashion consciousness and their beliefs of the risks of purchasing fashion counterfeits. That is, the higher fashion consciousness, the stronger their beliefs of the risks of purchasing fashion counterfeits.

**Hypothesis 8a.** There will be a significant positive relationship between the college students’ public self-consciousness and their beliefs about the benefits of purchasing fashion counterfeits. That is, the higher the public self-consciousness, the stronger their beliefs about the benefits of purchasing fashion counterfeits.
Hypothesis 8b. There will be a significant positive relationship between the college students’ public self-consciousness and their beliefs about the risks of purchasing fashion counterfeits. That is, the higher the public self-consciousness, the stronger their beliefs about the risks of purchasing fashion counterfeits.

Delimitations

There are delimitations resulting from using a survey to collect data. These influence a potential misinterpretation of survey questions and the Likert scale, the possibility of incomplete returned surveys, and unknown factors influencing participation or nonparticipation. The self-reporting nature of the survey could influence the respondents’ attempt to produce more socially acceptable responses. The survey of this study was administered at the beginning of class and introduced by an instructor. As such, respondents might have neglected to answer every question or respondents might have felt pressured to choose desirable answers to questions, especially relating to their ethics.

Limitations

This study has a number of limitations. The first limitation is that the sample size was relatively small and may not be representative of all college students in the U. S. The sampling method was not random sampling. The subjects of this study were a convenience sample of students enrolled at a Midwestern University in the United States. The convenience sampling process rather than a random sampling process may impede the generalization of overall consumers’ purchase intent toward fashion counterfeit products. Respondents were drawn from age, educational, and geographic distributions more limited than the general population.
There was little control on some moderating variables, such as the economic background of the sample that may be correlated with their attitude toward purchasing fashion counterfeit products and their past purchase experiences of fashion counterfeit products, which is likely to engage in a repeat of their buying or favorable attitude toward purchasing of fashion counterfeit products.

Definition of Terms

*Counterfeits.* The production of copies that are identically packaged, including trademarks and labeling, copied so as to seem to a consumer to be the genuine article (Kay, 1990). Counterfeits may include anything from software, apparel, luxury goods, pharmaceuticals, or automotive products.

*Fashion Counterfeits.* Fashion-related counterfeiting falls more in the categories of handbags, athletic shoes, and watches (Rath et al., 2008). Fashion counterfeit refers in this study to the counterfeited clothing items or accessories such as handbags, watches, jewelry, athletic shoes, clothes, caps, sunglasses, and perfume.
CHAPTER 2: CRITICAL REVIEW OF LITERATURE

Consumer behavior is defined as the actions and decision-making processes of buyers as they recognize their desire for a product or service, and engage in the search, evaluation, purchase, use, and disposal of that particular commodity (Rath et al., 2008). The study of consumer behavior is an interdisciplinary field of study that focuses on what goods and services people buy, and how and why they buy them. The objective of studying consumer behavior is to understand, explain, and predict consumer action under given circumstances.

Getting answers to questions about why people buy and consume requires an examination of many different aspects of consumers and their behaviors (Blackwell, Miniard & Engel, 2006). Many conscious and unconscious factors, such as motivations, personalities, attitudes, and even situations, go into each and every purchase decision consumers make. Sometimes, the products in question will also have a strong influence to consumers’ purchase behavior. For products such as counterfeit merchandise, ethical issues can add significantly to the complexity of consumer decisions (Shaw, Shiu, & Clarke, 2000).

This chapter contains a review of literature pertaining to consumer behavior theories and research on consumer behavior regarding counterfeits. This review served as a guide for this study of college students’ behavior on fashion counterfeits.

The Theory of Planned Behavior (TPB)

Consumer behavior has been examined from the perspectives of psychology, economics, sociology, anthropology, and marketing. Consumer behavior is an applied
discipline that borrows from every discipline that contributes to understanding consumers (Blackwell et al., 2006). Researchers in sociology and psychology examine characteristics of individual consumers such as demographics, psychographics, and behavioral variables in an attempt to understand people's wants. They also assess influences from groups such as family, friends, reference groups, and society in general on consumer behavior. The study of consumer behavior from an economics perspective investigates consumer’s preference and consumptions based on the attributes and benefits of the products perceived by the consumer.

The Theory of Planned Behavior (TPB; Ajzen, 1991) is one of the theories that has been widely adopted in studying different kinds of human social behaviors, including consumers’ purchase behaviors. This theory is based on the assumption that human beings are rational in their decision-making and make systematic use of the information available to them. TPB studies human behavior from the perspectives of psychology, sociology, and marketing. According to this model, behavioral intention is a strong indicator of actual behavior, and is influenced by the following three factors: (a) the individual’s attitude toward performing the behavior, (b) the individual’s perceived subjective norms, and (c) the individual’s perceived behavioral control.

Attitude toward performing the behavior refers to the degree to which a person has a favorable or unfavorable evaluation or appraisal of the behavior in question. Attitude is determined by the following two components: (a) an individual’s belief \((b_i)\) that the behavior in question has certain attributes or that performing the behavior will lead to certain outcomes; and (b) the individual’s evaluation \((e_i)\) of the importance of the
belief. The attitude toward behavior ($A$) is calculated as the sum of the product of $b_i$ and $e_i$ for all the salient attributes of the behavior.

Subjective norm refers to the individual’s perceived social pressure to perform or not to perform the behavior. It is determined based on the individual’s beliefs ($n_i$) that important others think they should or should not perform the behavior in question, and their motivation ($m_i$) to comply with these others. Common subjective references include: family members, friends, significant others, peers, media, etc.

Perceived behavioral control refers to the individual’s perceived ease or difficulty in performing the behavior and is assumed to reflect past experience as well as anticipated impediments and obstacles. Similarly, perceived behavioral control is based on the individual’s control beliefs ($c_i$) about resources and opportunities, and the perceived power ($p_i$) about the particular control factor to facilitate performance of the behavior (Ajzen, 1991).

The TPB model has been applied in varied settings in an effort to understand a number of different behaviors in which people engage (Bailey, 2006). It was applied in the context of green consumerism (Sparks & Shepherd, 1992), unethical software copying (Chang, 1998), self-identity and ethical consumer decision-making (Shaw et al., 2000; Shaw & Shiu, 2002), fair trade (Toulouse, Shiu & Shaw, 2006) and retail employee theft (Bailey, 2006). Penz and Stottinger (2006) applied the theory as a valuable instrument for model development in the context of the purchase behavior for fake products. They found that the intention to purchase counterfeits impacts the behavior of purchasing counterfeits significantly. In their study of consumers’ self-identification with
ethical issues in marketing communication programs, Shaw et al. (2000) suggested that ethical obligation and self-identity should be added to the TPB model as an additional predictor variables. These measures were found to be pertinent in the explanation of behavioral intention in an “ethical” decision-making context. When investigating the key antecedents explaining the demand for fashion counterfeit goods, the TPB appears helpful in explaining consumer behavior toward fashion counterfeit (Penz & Stottinger, 2005).

Consumer Behavior on Fashion Counterfeits

The Fashion Counterfeit Industry

Counterfeiting, the production and sale of fake products that seem identical to the original product, has been spreading across the globe at an alarming rate (Penz & Stottinger, 2005). Counterfeiting is a huge business. According to the International Trade Commission, the global sales of counterfeit products were estimated at US$ 5.5 billion in 1982. The sales increased dramatically in the past 2 decades, with sales of US$61 billion in 1986 and US$200 billion in 1994 (Chakraborty et al., 1997), and US$376.2 billion in 2002 (ICC Counterfeiting Intelligence Bureau, 2004). Now it is estimated that annual counterfeiting is a $600 billion problem (IAAC, 2008). According to U.S. Customs and Border Protection Office of International Trade (2007), 70 percent of counterfeited goods belong to fashion goods, such as handbags, watches, jewelry, shoes, clothes, hats, sunglasses, and perfume. Fashion counterfeit products are mainly copied from those well-known luxury brands, such as Louis Vuitton, Chanel and Gucci. Some counterfeiters put serious effort into mimicking fashion details, such as the visibility of the style, and
image. Compared to other counterfeited goods, fashion counterfeit products may seem harmless and do not cause many potentially harmful problems. Therefore, many consumers consider purchasing fashion counterfeits perfectly acceptable and think their contribution to this shadow economy will not make any difference.

As can be seen, counterfeiting is a problem that has grown over 10,000 percent in the past two decades. Due to today’s technological advances such as computers, copiers, and scanners, it has never been easier to duplicate labels, packaging, documentation, authentication devices or symbols, marks, and logos with such speed, accuracy and relative anonymity (IAAC, 2008). Producing counterfeit goods that closely replicate authentic merchandise offers tremendous cost advantages to those manufacturers involved because almost no investments in product research and development or brand name advertising are required (Nill & Schultz, 1996). Counterfeit producers reap the reward associated with high consumer brand recognition and demand.

Producing and selling counterfeits causes a lot of problems, such as loss of tax revenues for the government and job loss for manufacturers of the authentic products. More importantly, counterfeiting violates the intellectual property of the authentic brand owners and causes unfair competition in the market where the legitimate companies are put in disadvantageous positions. Furthermore, counterfeiting damages brand equity and brand prestige for the brand being counterfeited. Although the low quality of fashion counterfeits will not cause any bodily harm, for many other categories of merchandise, such as food, pharmaceutical products, and cars, the counterfeits present potential safety risks for consumers.
To fight against the counterfeiting industry, companies selling luxury products, such as Louis Vuitton, Gucci, and Cartier, spend approximately 2% of their revenues to protect their trademarks (Ha & Lennon, 2006). They have hired private investigators to protect their brands from counterfeiters and have attempted to educate the public about counterfeiting through campaign, advertisements, and special events.

National and international organizations and individual governments also enforce intellectual property law and apply pressure on countries that have lax laws to decrease counterfeiting (Ha & Lennon, 2006). The World Trade Organization (WTO) has developed the Agreement of Trade-Related Aspects of Intellectual Property Rights (TRIPS) to protect legitimate intellectual property (Paradise, 1999). While some of these efforts are effective, others are not.

The efforts of both the legitimate companies and governments focus on the supply side. However, the demand for counterfeits from consumers is still very strong globally. Counterfeiting continues to flout anti counterfeiting laws and international trade agreements (Nill & Schultz, 1996). To effectively fight against the counterfeiting industry, it is important to identify consumers’ motivations for counterfeit purchases and educate consumers on the negative impacts that counterfeiting has had on society.

The “Why of the Buy” for Fashion Counterfeits

When consumer behavior comes to the selection of fashion-related goods, some very specific factors determine buying behavior (Rath et al., 2008). In particular, consumers tend to be fickle, forget quickly, and for the most of part, want novelty (Rath et al., 2008). Consumers use fashionable items primarily to make statements about
themselves, their tastes, their values, and their identities. That is, consumers plan and control their appearance to influence the way they want others to perceive them (Rath et al., 2008).

Recent collective buying behavior shows a high demand for luxury goods by shoppers at many different social classes. Consumers have become more knowledgeable about design and have begun to expect high style (Kim, Sullivan & Forney, 2007). Consumers may use brands to express their individual and social identities. Brand meaning extends beyond the actual product to communicate additional social meaning (Kim et al., 2007). Consumers who are buying branded products may be described as self-conscious and be especially concerned about the impression they make (Penz & Stottinger, 2005). Fashion counterfeit products carry a high image and the prestige connected to a well-known brand name. The similarities in appearance, quality, and image projected by the counterfeited version compared to the originals are important in determining consumers’ purchase intention (Wee et al., 1995).

Sometimes consumers misbehave to achieve the image and the prestige associated with the product by buying counterfeits. While the fake product might not fully comply with all the physical attributes the original product offered, the image dimension of the original branded product is preserved (Penz & Stottinger, 2005). When consumers voluntarily and deliberately buy a counterfeit good, this is called non-deceptive counterfeiting and usually involves goods that offer low physical, financial, and performance risks to the consumer (Nill & Shultz, 1996). Consumers who purchase these goods subject themselves to social risk, because the purchased goods project high
symbolic value and social visibility. As long as the counterfeit good is not readily
discernible as fake, it fulfills its function as well as the authentic item (Nill & Shultz,
1996). Other times, counterfeiting appears in another form as deceptive counterfeiting.
Under deceptive counterfeiting, consumers are not aware of the fact that they are
purchasing a copy rather than the original product and cannot be held accountable for
their behavior (Penz & Stottinger, 2005).

It has been claimed that price is unquestionably one of the most important
marketplace cues (Lichtenstein, Ridgway & Netemeyer, 1993). Past research has found
that direct economic consequences, such as paying at a lower price, influence the
tolerance of questionable behavior by consumers (Dodge, Edwards, & Fullerton, 1996).
Tom et al. (1998) suggested that the purchase of counterfeits may seem to be a smart
solution for consumers, who might not be able to afford the original or might not be
willing to spend the money on the original if they can get the copy for less with similar
benefits. Whereas buying a counterfeit good might be advantageous to the immediate
self-interest of individuals, it is harmful to the interests of society (Nill & Schultz, 1996).
In the area of consumer fashion goods, counterfeiting appears to be increasing (Chute,
1990).

Wee et al. (1995) also suggested that price is the main motive for the purchase of
counterfeit goods. Ang et al. (2001) found that consumers who were more value
conscious had a more favorable attitude towards piracy than less value-conscious
consumers. They also found that attitudes towards piracy were a significant predictor of
purchase intention. Consumers who had a favorable disposition towards counterfeits were more likely to buy counterfeits themselves and recommend them to their friends.

For bargain hunters and smart shoppers (Mano & Elliott, 1997), price savings may be a source of pride and accomplishment as much as their desire to escape their class habitus and to acquire the appearance of certain upper social strata. They express strong feelings of concern both about the image they project to others and about the price they pay to reflect a desirable standard of living (Festinger, 1954). Bloch et al. (1993) found that consumers will select a counterfeit over a genuine product when there is a price advantage. This finding was also observed by Grossman and Shapiro (1988), namely that counterfeits provide the advantage of unbundling the status and quality attributes of the brand-name products from price.

Other Factors Influencing Consumer Behavior on Fashion Counterfeits

Goldsmith (2002) found that frequent clothing buyers use new fashions to express social and personal identity. Frequent clothing buyers are positively associated with fashion involvement, innovativeness, knowledge, and opinion leadership (Goldsmith, 2002). They were also more likely to be opinion leaders for clothing and to use clothing to express social and personal identity. Given the relatively short product life cycle experienced by fashion-related products, most consumers are generally unwilling to spend an exorbitant amount of money on them, as these products are usually in vogue for only a limited period time (Wee et al., 1995). Buying counterfeits may therefore be an acceptable and a thrifty alternative to buying the original product (Wee et al., 1995). The situation between the immediate short-term self-interest of individuals and the interests of
society in buying counterfeit goods represents a typical ethical dilemma (Nill & Schultz, 1996).

*Fashion Consciousness*

Fashion consciousness refers to a person’s degree of involvement with the styles or fashion of clothing. An individual does not have to be either a fashion opinion leader or a fashion innovator to be considered fashion conscious. Rather, fashion consciousness is characterized by an interest in clothing and fashion, and in one’s appearance (Summers, 1970; Jonathan & Mills, 1982).

Fashion involvement is a consumer’s perceived importance of fashion clothing (O’Cass, 2001). Previous research had supported that fashion involvement influences consumer behavior on fashion product (e.g., Bertrandias & Goldsmith, 2006; Goldsmith, 2002; Penz & Stottinger, 2005; Wee et al., 1995). It is important to investigate fashion involvement to understand consumer counterfeit purchase behavior. Fashion items carrying a well-known brand are particularly prone to counterfeiting. Purchasers of premium brands are expected to place a high value on product attributes such as prestige, brand image, and fashionability. Purchasers of counterfeit replicas of such brands are also expected to value image characteristics (Bloch et al., 1993). Person buying counterfeits may have the tastes of a snob, but with low price acceptability (Higgins & Rubin, 1986). Penz and Stottinger (2005) found that fashion involvement had a strong influence on an embarrassment potential and a weaker influence on smart shoppers. That is, the smart shoppers’ attitude is negatively influenced by fashion involvement. A higher interest in fashion weakens the attitude that purchasing counterfeit products is a smart behavior.
Self-Concept

Self-concept is a global perception of who one is (Kaiser, 1990). People internalize and integrate personal qualities and other characteristics to define the self. An important distinction in self-concept paradigms is that they may emphasize external or internal aspects (Reed, 2002). External, socially situated aspects of self-concept are concerned with how individuals use the perspectives and feedback from other people to form and modify their identity; while internal, psychological aspects depend more on self-directed thoughts, beliefs, and attitudes, and less on other people’s opinions (Dodd, Clarke, Baron, & Houston, 2000). Self-identity can be the pertinent part of an individual’s self that relates to a particular behavior (Corner & Armitage, 1998). Especially when the behavior has become a central aspect of a person’s self-concept and is repeated, self-identity is expected to explain consumers' intention (Cook, Kerr, & Moore, 2002).

Both aspects of self-concept may be influenced by products and consumption (Reed, 2002). Products are important to the creation and maintenance of a person’s identity (Belk, 1988). Consumers form positive attitudes toward things that help them define their social and personal identities by expressing who they are, who they want to be, and how they want others to see them (Shavitt, 1989). Fashion-related goods as well as clothing may be an especially effective product category in this regard (Dodd et al., 2000; O’Cass, 2000; Solomon, 1985).

Individuals who have a rather vague and uncertain self-concept tend to possess low self-esteem. This renders them less certain that they will be able to meet what they
believe are others' standards for worthiness and more susceptible to the effects of outside influences on their self-concept (Campbell, Chew, & Scratchley, 1991). Consequently, they may tend to acquire prestigious luxury products to signal a more elite social position, helping them to construct and preserve their individual identities and self-images.

When people achieve upward mobility, they may adopt new patterns of consumption to symbolize their new social position (Barber & Lobel, 1952). The personal consumption of goods such as, apparel and ornaments may symbolize one’s position as a consumer in the economy or one’s position within the system of production in the economy (Roach & Eicher, 1965). Consumers who are buying branded products may be described as self-conscious and especially concerned about the impressions that they make (Penz & Stottinger, 2005). Consumers who are buying counterfeits are similarly concerned about their impressions, although those images they project sometimes seem to betray a tension or conflict between an original identity and a borrowed appearance to the consumers who select a counterfeit over a genuine product. Some try to keep at a distance the conspicuous display they appear to favor and despise at the same time, while deriving a certain cynical pleasure in deceiving others. This paradoxical position appears to be what could be termed a social ruse (Roux & Korchia, 2006).

Bloch et al. (1993) suggest that consumers choosing a counterfeit see themselves as less well-off financially, less confident, less successful, and as having a lower status than counterfeit non-buyers. Matos et al. (2007) found that those who seek to have a
sense of accomplishment have positive attitudes but nonsignificant effect. However, there are conflicting results in this aspect in the literature. Ang et al. (2001) showed no significant influence of personal gratification on consumer attitudes toward counterfeits. Penz and Stottinger (2005) also supported that self-identity displayed very little to no effect on the intentions to purchase counterfeits.

**Ethical Obligation and Ethical Judgment**

Ethical obligation represents an individual’s internalized ethical rules, which reflect personal beliefs about appropriate behavior (Shaw et al., 2000). Ethical judgment is defined as a cognitive process in which an individual is to judge which course of action is morally right (Trevino, 1992). The linkage between judgment and behavioral intentions, defined as an individual’s intent to act in a certain way, has been postulated in ethical decision making models (e.g., Jones, 1991; Rest, 1986). In other words, if an action is judged as ethical, one is more likely to form an intention to perform it. Conversely, if an action is judged as unethical, one is less likely to form an intention to engage in the action (Nguyen & Biderman, 2008)

Consumers’ ethical attitudes have been widely expounded in the literature as a key factor influencing the purchase of counterfeits. Penz and Stottinger (2005) suggested that ethical considerations of what is “importantly right and wrong” play an important role in the consumption behaviors, as they may have a self-binding effect on the individual. Also they found that the individual’s ethical disposition influences embarrassment potential and the subjective norm. In other words, consumers who have a higher ethical disposition would be more embarrassed if they were discovered wearing
counterfeits. A strong ethical disposition seems to supersede the subjective norm from relevant others. Additionally, Prandergast et al. (2002) found that consumers rated ethical issues more important when purchasing counterfeit clothing than when purchasing counterfeit video compact discs.

Ha and Lennon (2006), however, unexpectedly found that ethical ideology was not a significant predictor of the intent to buy counterfeit products while the Hunt-Vitell theory of ethics (Hunt & Vitell, 1986) suggests that it should be. This may be explained by the ethical judgment that respondents in their study were unsure whether fashion counterfeit purchasing was ethical or unethical. Ha and Lennon (2006) explained that ethical judgments could mediate the effects of idealism on purchase intent, because idealism was found to be positively related to ethical judgments, and ethical judgments were strongly related to purchase intent. Ang et al. (2001) suggested another explanation for this. It was documented that consumers did not consider counterfeit purchasers to be unethical. Sykes and Matza (1957) explained that consumers might tolerate and participate in nonnormative behaviors by excusing themselves from blame and deflecting such blame to another party. Such situational ethics—holding others but not self as responsible—encourage the further purchase of counterfeits.

Past Purchase Experience

Consumers’ past purchase experiences with fashion counterfeit products are likely to engage in favorable attitudes toward purchasing of fashion counterfeit products which result in repetition of their buying. Consumers who have previous experiences buying fashion counterfeit products may judge counterfeit products to be comparable to the
legitimate product more so than consumers who do not have previous experiences buying fashion counterfeit products. The more similar consumers judge products to be, the more similar will be their preference for them (Lefkoff-Hagius & Mason, 1993). Tom et el. (1998) found that consumers who indicated that they have previously purchased counterfeit goods hold attitudes more supportive of counterfeiting and are sufficiently satisfied with fake goods to purchase them again in the future. A similar result was suggested by Matos et al. (2007). They found that consumers who have bought a counterfeit have more favorable attitudes when compared to those who have not. However, this experience does not have a direct effect on behavioral intention.
CHAPTER 3: METHODOLOGY

The purpose of this study was to investigate the influence of selected factors on college students’ attitudes toward purchasing fashion counterfeits, which, in turn, was hypothesized to influence their purchase intentions. This study used part of the TPB model as a theoretical framework to explain consumers’ purchase intentions of fashion counterfeits. This study focused on the influence of attitude on purchase intention. Additionally, this study investigated how college students’ attitudes toward purchasing fashion counterfeits were affected by factors such as fashion consciousness, public self-consciousness, ethical obligation, and ethical judgment.

A survey method was employed to conduct the data collection for this study. To comply with the federal and university regulations, research that involves the use of human subjects must be reviewed and approved by the Ohio University Institutional Review Board (IRB) for using animals or human subjects in research. An IRB approval was obtained from the university before data collection started. Please find a copy of the IRB approval in Appendix A.

Sampling and Data Collection

The sample of this study was 341 students enrolled at a Midwestern university in the U.S. The convenience sample was recruited from several classes from different disciplines across the campus to balance the samples with regard to gender and major.

Surveys were distributed during winter quarter 2009 to test the hypotheses. Instructors were informed and contacted in advance to obtain permission to do the survey in their classes. Surveys were administered during class time, and it took 10 to 15
minutes for the students to finish the survey. The instrument used was a self-administered questionnaire. A sample survey instrument is shown in Appendix B.

Research Model and Measurement of Variables

The TPB states that behavior is determined by the intention to engage in such behavior. This study focused on the influence of attitude on purchase intention. Additionally, this study investigated how college students’ attitudes toward purchasing fashion counterfeits are affected by factors such as fashion consciousness, public self-consciousness, ethical obligation, and ethical judgment. The research framework of this study is described in Figure 1.

![Figure 1. Theoretical framework for this study: The theory of planned behavior (TPB).](image)

Scales were either developed for this study or borrowed in original or modified forms from previous research. Most of the items used 6- to 7-point Likert scales ranging from strongly disagree to strongly agree. The following scales were used.

*Fashion consciousness.* Fashion consciousness refers to a person’s degree of involvement with the styles or fashion of clothing (Summers, 1970). A 7-item fashion consciousness scale suggested by Bruner and Hensel (1998) was used in this study. This scale measures the importance of being in fashion, particularly with regard to dress. Previous studies using this scale suggested good reliability (Wilkes, 1992). Each item was measured on a 6-point Likert scale, with 1 = strongly disagree and 6 = strongly agree.

*Public self-consciousness.* Public self-consciousness was measured by 7 items measuring the degree to which a person expresses an awareness of self as a social object with an effect on others (Bearden & Randall, 1990). The items are measured on a 7-point scale with 1 = strongly disagree and 7 = strongly agree.

*Ethical obligation.* Ethical obligation measures an individual’s commitment to ethical behavior. Two items were used to measure respondent’s ethical self-identity and ethical obligation (Shaw et al., 2000; Sparks, Shepherd, & Frewer, 1995). Each item was measured on a 7-point scale, with 1 = strongly disagree and 7 = strongly agree.

*Ethical judgment.* Ethical judgment measures an individual’s judgment about whether performing a certain action is morally right or not. Three items were used to measure respondent’s ethical judgment regarding the purchase of fashion counterfeits (Bian & Veloutsou, 2007; Sparks et al., 1995). Each item was measured on a 7-point scale, with 1 = strongly disagree and 7 = strongly agree.
Attitude toward fashion counterfeits. Two items were used to measure the subjects’ general attitudes toward purchasing fashion counterfeits. Each item was measured on a 7-point Likert scale with 1= strongly disagree and 7= strongly agree. According to the TPB model, attitude is a function of the beliefs that performing the behavior in question has certain attributes and the evaluations of the importance of these attributes. The following attributes of purchasing of fashion counterfeits were measured and evaluated: price, style, details, quality, and social risk. In this study, attributes of purchasing fashion counterfeits were categorized into benefits and risks. Benefits were measured in terms of price, style and details. Risks were measured in terms of poor quality and social risk. A score was generated to reflect respondents’ beliefs and evaluations of the benefits of purchasing fashion counterfeits. This score was a summation of the product of belief of benefit \( b_i \) and the evaluation \( e_i \) of the benefit across all the benefits (i.e., \( \Sigma = (b_1 \times e_1) + (b_2 \times e_2) + (b_3 \times e_3) \)). Another score was generated to reflect the respondents’ beliefs and evaluations on the risks of purchasing fashion counterfeits (i.e., \( \Sigma = (b_4 \times e_4) + (b_5 \times e_5) \)). These questions were measured on 7-point Likert scales with 1 = strongly disagree and 7 = strongly agree.

Purchase intention of fashion counterfeits. Intention represents an individual’s motivation to put effort into displaying certain behavior. Two items were used to measure participants’ intentions to purchase fashion counterfeit products in the future. These questions were measured on 7-point Likert scales, with 1 = strongly disagree and 7 = strongly agree.
Demographic characteristics. Demographic information was also collected from the participants. The following demographics were included: gender, age, monthly spending money on clothing or fashion items, ethnicity, major, academic rank, work status, and past experiences of buying fashion counterfeit products. These demographics were measured with forced choices or open-ended responses.

Data Analysis

Data were analyzed by using SPSS 16.0®. Each collected questionnaire was coded and entered into an SPSS data file. Reliability analyses were conducted for variables which were measured by multi items. Descriptive analyses were conducted for the demographics to provide the sample profile. For fashion consciousness, public self-consciousness, ethical obligation, and ethical judgment, a mean score was generated for each variable. One-way ANOVA, independent t-test, regression, and correlation analyses were used to test hypotheses.
CHAPTER 4: RESULTS

In this chapter, the sample profile is presented in terms of demographics, personality traits, and attitudes and purchase intentions toward purchasing fashion counterfeits. Then, hypothesis testing results are presented.

Sample Profile

Demographics

Out of the 341 respondents, 59.8% were females and 39.6% were males, with 0.6% not indicating gender (see Table 1). In terms of age, 96.1% were in the range of 18–23 years old. In terms of academic rank, 26.1% were freshmen, 17.9% were sophomores, 22.9% were juniors, and 30.8% were seniors. The majority of the respondents (89.1%) were Caucasian. In terms of working status, 56.6% did not work, and 40.7% worked part time. About 42% of the respondents stated that they had experiences purchasing fashion counterfeits, while about 58% stated they did not. For those who had purchased fashion counterfeits, price was the main reason (71.4%) followed by availability (18.2%).

Table 1. Demographic Profile of Sample (N=341)

<table>
<thead>
<tr>
<th>Respondent Information</th>
<th>N</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>135</td>
<td>39.6</td>
</tr>
<tr>
<td>Female</td>
<td>204</td>
<td>59.8</td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
</tr>
<tr>
<td>18 years old</td>
<td>32</td>
<td>9.4</td>
</tr>
<tr>
<td>19 years old</td>
<td>79</td>
<td>23.2</td>
</tr>
<tr>
<td>20 years old</td>
<td>70</td>
<td>20.5</td>
</tr>
<tr>
<td>21 years old</td>
<td>67</td>
<td>19.6</td>
</tr>
<tr>
<td>22 years old</td>
<td>55</td>
<td>16.1</td>
</tr>
<tr>
<td>23 years old and above</td>
<td>30</td>
<td>8.9</td>
</tr>
</tbody>
</table>
### Table 1 (continued).

<table>
<thead>
<tr>
<th>Academic Rank</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Freshman</td>
<td>89</td>
<td>26.1</td>
</tr>
<tr>
<td>Sophomore</td>
<td>61</td>
<td>17.9</td>
</tr>
<tr>
<td>Junior</td>
<td>78</td>
<td>22.9</td>
</tr>
<tr>
<td>Senior</td>
<td>105</td>
<td>30.8</td>
</tr>
<tr>
<td>Graduate</td>
<td>6</td>
<td>1.8</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Ethnicity</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Caucasian</td>
<td>304</td>
<td>89.1</td>
</tr>
<tr>
<td>African American</td>
<td>10</td>
<td>2.9</td>
</tr>
<tr>
<td>Others</td>
<td>18</td>
<td>5.3</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Monthly Spending on Clothing or Fashion Items</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Under $100</td>
<td>209</td>
<td>61.3</td>
</tr>
<tr>
<td>$100-$199</td>
<td>80</td>
<td>23.5</td>
</tr>
<tr>
<td>$200-$299</td>
<td>28</td>
<td>8.2</td>
</tr>
<tr>
<td>$300 or more</td>
<td>16</td>
<td>4.6</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Work Status</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Do not work</td>
<td>193</td>
<td>56.6</td>
</tr>
<tr>
<td>Work less than 10 hours/week</td>
<td>69</td>
<td>20.2</td>
</tr>
<tr>
<td>Work 11-20 hours/week</td>
<td>70</td>
<td>20.5</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Previous experience buying fashion counterfeits</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>144</td>
<td>42.2</td>
</tr>
<tr>
<td>No</td>
<td>196</td>
<td>57.5</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Reasons to buy fashion counterfeits</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cheap and good deal</td>
<td>90</td>
<td>71.4</td>
</tr>
<tr>
<td>Availability (trip to NYC, Internet, etc.)</td>
<td>23</td>
<td>18.2</td>
</tr>
<tr>
<td>Not affordable for real designer brand</td>
<td>6</td>
<td>4.8</td>
</tr>
<tr>
<td>Deceptive purchasing</td>
<td>3</td>
<td>2.4</td>
</tr>
<tr>
<td>For fun</td>
<td>3</td>
<td>2.4</td>
</tr>
<tr>
<td>Gift from somebody</td>
<td>1</td>
<td>0.8</td>
</tr>
</tbody>
</table>

*Note.* The percentages for each variable may not add to 100% due to missing data.
Personality Traits

The results of descriptive statistics about personality traits are shown in Table 2. The mean score of fashion consciousness (M = 3.54, SD = 1.14) indicated that the subjects presented average interest in fashion consciousness with the scale ranging from 1 = strongly disagree to 6 = strongly agree. The mean score of public self-consciousness (M = 4.87, SD = 1.09) indicated that subjects presented slightly strong public self-consciousness with the scale ranging from 1 = strongly disagree to 7 = strongly agree. And subjects presented slightly strong ethical obligation (M = 4.56, SD = 1.25); however, the mean of ethical judgment (M = 3.80, SD = 1.72) was under the average with the scale ranging from 1 = strongly disagree to 7 = strongly agree. A frequency analysis showed that only 34.5% of respondents believed that buying fashion counterfeits is unethical, with 41.3% not considering the purchases unethical and 24.2% with mixed feelings.

Table 2. Personal Traits for Sample

<table>
<thead>
<tr>
<th>Personal traits</th>
<th>M</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fashion consciousness</td>
<td>3.54</td>
<td>1.14</td>
</tr>
<tr>
<td>Public self-consciousness</td>
<td>4.87</td>
<td>1.09</td>
</tr>
<tr>
<td>Ethical obligation</td>
<td>4.56</td>
<td>1.25</td>
</tr>
<tr>
<td>Ethical judgment</td>
<td>3.80</td>
<td>1.72</td>
</tr>
</tbody>
</table>

Note. Fashion consciousness: 1 = strongly disagree, 6 = strongly agree; Public self-consciousness, Ethical obligation, ethical judgment: 1 = strongly disagree, 7 = strongly agree.

Attitude Toward Fashion Counterfeits

When asked about their attitudes toward purchasing fashion counterfeits, only 26% of the respondents indicated they had favorable attitudes, with 39% indicating
mixed feelings and 35% with unfavorable attitudes. The subjects were also asked to indicate their agreement with the statement that buying fashion counterfeits is a smart shopping decision. Only 36% of respondents agreed that buying fashion counterfeits is a smart shopping decision, with another 36% indicating mixed feelings, and 28% disagreeing that buying fashion counterfeits is a smart shopping decision.

The majority of the respondents believed that fashion counterfeits are cheaper (78.9%), and fashion counterfeits offer luxurious images and fashionable styles comparable to genuine brands (62.4%). Around half of the respondents (47.8%) believed that the quality of fashion counterfeits is poor. Low price (72.1%) and quality of fashion products (71.3%) were rated as the most important attributes of their fashion purchases. The interesting thing about the respondents was that, in general, they were not concerned about the perceived embarrassment potential associated with being detected for holding fashion counterfeits by others. Only 14.5% of respondents indicated that they will be upset if people realize that they own fashion counterfeits. In general, subjects in this study had a slightly unfavorable attitude toward fashion counterfeits.

**Purchase Intention**

The subjects were asked to indicate their intention to purchase fashion counterfeits in the future. Almost half of the respondents (45%) indicated that they are willing to buy fashion counterfeits in the future, with 25% indicating mixed feelings, and 30% were not willing to buy.
Hypotheses Testing

Hypotheses were proposed for the relationship between college students’ attitudes toward purchasing fashion counterfeits and their purchase intention, and the relationship between college students’ attitudes toward purchasing fashion counterfeits and the influence of the identified personality traits on attitude: fashion consciousness, public self-consciousness, ethical obligation, and ethical judgment. Regression, correlation and t-test analyses were used to test the hypotheses. Prior to testing the hypotheses, a reliability test was conducted on the survey instruments using Cronbach’s alpha. The results of the reliability test conducted on the survey instruments suggested that fashion consciousness ($\alpha = 0.89$) and public self-consciousness ($\alpha = 0.82$) had good reliability.

**Hypothesis 1.** There is a significant positive relationship between college students’ attitude toward fashion counterfeits and their purchase intention. That is, college students who have a high purchase intention of fashion counterfeits will have a more favorable attitude than those who have a low purchase intention.

Initial exploratory analysis on the data revealed notable variation between respondents who had a low intention to purchase fashion counterfeit products and those who had a high intention. A new variable was created to classify the respondents into three groups based on their purchase intention. In the questionnaire, respondents were requested to indicate their intentions to purchase of fashion counterfeit products on a 7-point scale ranging from 1 to 7, where 1 = strongly disagree and 7 = strongly agree. Those respondents who responded with a score lower than 4 were classified as the low intention group (group1), those who responded with score 4 were classified as the mixed
feeling group (group2), and those who responded with a score higher than 4 were classified as the high intention group (group3). Thus, the sample was divided into a low intention group (n = 104, 30.5%), a mixed feeling group (n = 84, 24.6%), and a high intention group (n = 153, 44.9%), (see Table 3).

In order to test for differences in attitude, a one-way ANOVA was conducted among these three different intention groups. The result of this test is shown in Table 3. The one-way ANOVA results revealed that the high intention group presented the most favorable attitude toward fashion counterfeits, followed by the mixed feeling group, and lastly the low intention group (m1 = 2.71, m2 = 3.73, m3 = 4.71, F(2,338) = 104.68, p < .001). Therefore, hypothesis 1 was accepted. College students who had a higher purchase intention had more favorable attitudes toward fashion counterfeits than those who had a lower purchase intention.

Table 3. *Mean Comparison by Intention*

<table>
<thead>
<tr>
<th>Intention</th>
<th>Group 1 (means)</th>
<th>Group 2 (means)</th>
<th>Group 3 (means)</th>
<th>F</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low intention</td>
<td>2.71</td>
<td>3.73</td>
<td>4.71</td>
<td>F(2,338) = 104.68***</td>
</tr>
<tr>
<td>Mixed feeling</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>High intention</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

***p < .001; 1 = strongly disagree, 7= strongly agree.

*Hypothesis 2a.* College students who had previous purchase experience of fashion counterfeits will have a higher purchase intention than those who did not.
**Hypothesis 2b.** College students who had previous purchase experience of fashion counterfeits will have more favorable attitudes toward purchasing fashion counterfeits than those who did not.

Notable variation was also revealed between those who had previous purchase experience and those who did not. Therefore, the sample was classified into two groups, with one group having previous purchase experience of fashion counterfeits (n = 144, 42.2%) and the other group having no previous experience (n = 196, 57.5%). An independent t-test was conducted for attitude and purchase intention respectively between the two groups identified above. Results (see Table 4) showed that significant differences existed between the two groups in their purchasing intention (m₁ = 5.01, m₂ = 3.46, t = 9.59, p < .001) and attitude (m₁ = 4.35, m₂ = 3.50, t = 5.90, p < .001).

<table>
<thead>
<tr>
<th></th>
<th>Group 1 (means)</th>
<th>Group 2 (means)</th>
<th>Independent t-test t-value</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(n = 144)</td>
<td>(n = 196)</td>
<td></td>
</tr>
<tr>
<td>Attitude</td>
<td>4.35</td>
<td>3.50</td>
<td>5.90***</td>
</tr>
<tr>
<td>Intention</td>
<td>5.01</td>
<td>3.46</td>
<td>9.59***</td>
</tr>
</tbody>
</table>

***p < .001; 1 = strongly disagree, 7 = strongly agree.

That is, people who had previous purchase experiences of fashion counterfeit products had significantly higher scores in their attitudes and intentions than those who did not have previous experiences. Thus, hypothesis 2a and 2b were accepted. College students who had previous experiences purchasing fashion counterfeit products are more willing
to buy fashion counterfeits in the future, and had more favorable attitudes toward fashion counterfeits.

*Hypothesis 3.* Beliefs of the benefits of purchasing fashion counterfeits will have a positive influence on college students’ attitudes toward purchasing fashion counterfeits.

*Hypothesis 4.* Beliefs of the risks of purchasing fashion counterfeits will have a negative influence on college students’ attitudes toward purchasing fashion counterfeits.

*Hypothesis 5.* Ethical obligation will have a negative influence on college students’ attitudes toward fashion counterfeits.

*Hypothesis 6.* Ethical judgment will have a negative influence on college students’ attitudes toward purchasing fashion counterfeits.

A regression analysis was conducted to test the influence of the following factors on college students’ attitudes: beliefs of the benefits of purchasing fashion counterfeits, beliefs of the risks of purchasing fashion counterfeits, ethical obligation, and ethical judgment. Results (see Table 5) showed that beliefs of the benefits of purchasing fashion counterfeits (beta = .448, t = 10.540, p < .001) had a significant positive influence on attitudes toward purchasing fashion counterfeits. Beliefs of the risks (beta = -.168, t = -3.524, p < .001) and ethical judgment (beta = -.375, t = -7.542, p < .001) had significant negative influence on attitude toward purchasing fashion counterfeits. However, the influence of ethical obligation (beta = .033, t = .706, NS) was not significant.
Thus, hypotheses 3, 4, and 6 were accepted and hypothesis 5 was rejected. If a college student believes that purchasing fashion counterfeits has certain benefits such as a cheaper price, a luxurious image, and the same details of genuine brands, and considers these benefits important to him/her, he/she will have a favorable attitude toward purchasing fashion counterfeits. Similarly, if he/she believes that purchasing fashion counterfeits has certain risks, such as poor quality and the perceived embarrassment potential, and cares about these risks, he/she will have a negative attitude toward purchasing fashion counterfeits.

Ethical judgment was also found to have significant negative influence on attitude toward purchasing fashion counterfeits. That is, if a college student believes that buying fashion counterfeits is unethical, he/she will have a negative attitude toward purchasing fashion counterfeits. Ethical obligation was not found to have significant influence on attitude toward purchasing fashion counterfeits.

**Hypothesis 7a.** There will be a significant positive relationship between college students’ fashion consciousness and their beliefs of the benefits of purchasing fashion counterfeits.

### Table 5. Regression Analysis of the Influence on Attitude

<table>
<thead>
<tr>
<th>Variables</th>
<th>$\beta$</th>
<th>$t$</th>
<th>$p$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benefit Beliefs</td>
<td>.448</td>
<td>10.540</td>
<td>.000***</td>
</tr>
<tr>
<td>Risk Beliefs</td>
<td>-.168</td>
<td>-3.524</td>
<td>.000***</td>
</tr>
<tr>
<td>Ethical obligation</td>
<td>.033</td>
<td>.706</td>
<td>.480 NS</td>
</tr>
<tr>
<td>Ethical judgment</td>
<td>-.375</td>
<td>-7.452</td>
<td>.000***</td>
</tr>
</tbody>
</table>

R$^2$ = .431, Adjusted R$^2$ = .424, F(4,328) = 62.182***

*** P < .001; NS: Not significant.
Hypothesis 7b. There will be a significant positive relationship between the college students’ fashion consciousness and their beliefs of the risks of purchasing fashion counterfeits.

Hypothesis 8a. There will be a significant positive relationship between the college students’ public self-consciousness and their beliefs of the benefits of purchasing fashion counterfeits.

Hypothesis 8b. There will be a significant positive relationship between the college students’ public self-consciousness and their belief of the risks of purchasing fashion counterfeits.

In order to examine the relationship between the two personal traits, fashion consciousness and public self-consciousness, and the beliefs of the benefits and risks of purchasing counterfeits, Pearson’s correlation analyses were conducted. Results (see Table 6) showed significant positive association between the variables. Specifically, fashion consciousness was strongly related to the beliefs of benefits (r = .473, p < .01) and also strongly related to the beliefs of risks (r = .474, p < .01). Public self-consciousness was strongly related to the beliefs of benefits (r = .399, p < .01) and also strongly related to the beliefs of risks (r = .356, p < .01).

Table 6. Correlation Analysis of the Influence of Each Variable on Beliefs

<table>
<thead>
<tr>
<th>Variables</th>
<th>Benefit Beliefs</th>
<th>Risk Beliefs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fashion consciousness</td>
<td>.473**</td>
<td>.474**</td>
</tr>
<tr>
<td>Public Self-consciousness</td>
<td>.399**</td>
<td>.356**</td>
</tr>
</tbody>
</table>

**p < .01.
Thus, hypotheses 7a, 7b, 8a, 8b were accepted. Fashion consciousness related to both the benefit beliefs and risk beliefs of purchasing fashion counterfeits. If a college student has a strong fashion consciousness, not only does she/he believe more strongly that there are benefits of purchasing fashion counterfeits, such as, cheaper price, luxurious image and same details of genuine brands, but also she/he believes more strongly that there are risks of purchasing fashion counterfeits, such as, poor quality and the perceived embarrassment potential that they may be detected by others.

In addition, if a college student has a strong public self-consciousness, not only does she/he believe more strongly that there are benefits of purchasing fashion counterfeits, such as, cheaper price, luxurious image and same details of genuine brands, but also she/he believes more strongly that there are risks in purchasing fashion counterfeits, such as, poor quality and the perceived embarrassment potential.

A summary of the hypotheses testing results is presented in Figure 2.

![Diagram](attachment:image.png)

**Figure 2.** Hypotheses testing results.

*Note.* NS: Not significant (shown by dotted line).
CHAPTER 5: DISCUSSION

Discussion and Implications

Statistical results suggest that college students’ attitudes toward purchasing fashion counterfeits have a significant positive influence on their purchase intentions. The subjects who had higher purchase intentions held more favorable attitudes toward purchasing fashion counterfeits than those who had lower purchase intentions. College students’ attitudes toward purchasing fashion counterfeits in this study were directly influenced by the following factors: past purchase experience, benefit beliefs of purchasing fashion counterfeits, risks beliefs of purchasing fashion counterfeits, and ethical judgment. Fashion consciousness and public self-consciousness influenced on college students’ attitudes toward purchasing fashion counterfeits through the beliefs of benefits and risks of purchasing fashion counterfeits.

When grouped and compared by their previous purchase experiences of fashion counterfeit products, college students who had previous experience purchasing fashion counterfeit products were more willing to buy fashion counterfeits in the future, and had more favorable attitudes toward fashion counterfeits. College students with previous fashion counterfeit purchasing experiences were more fashion conscious, more public self-conscious, held more favorable attitudes toward purchasing fashion counterfeit products, and had higher intentions to buy fashion counterfeit products in the future than those without previous purchasing experience. On the other hand, college students with previous purchasing experience had weaker ethical judgment.
College students who believed that fashion counterfeits had benefits, such as cheaper price, luxurious image and same details of genuine brands, and considered these benefits important to them, showed favorable attitudes toward purchasing fashion counterfeits. Likewise, college students who believed that purchasing fashion counterfeits had certain risks, such as poor quality and the perceived embarrassment potential, and cared about these risks, showed negative attitudes toward purchasing fashion counterfeits.

Also, this study suggested that ethical judgment had a significant negative influence on college students’ attitudes toward purchasing fashion counterfeits. College students, who believed that buying fashion counterfeits is unethical, presented a negative attitude toward buying fashion counterfeits. Likewise, college students, who viewed purchase of fashion counterfeits as not unethical, had significantly more favorable attitudes toward purchasing fashion counterfeits than those who viewed the purchase of fashion counterfeits as unethical. This result is consistent with the previous study of Penz and Stottinger (2005) who suggested that ethical considerations of what is right and wrong play an important role in consumption behavior, as they may have a self-binding effect on the individual. This study supports previous studies that have shown that ethical judgment is the central step in a multistep ethical decision-making process (e.g., Jones, 1991; Rest, 1986). For example, in Jones’ (1991) well-known model of ethical decision making based on Rest’s (1986) classic work of moral reasoning, ethical judgment is the central component and direct antecedent of ethical behavioral intentions (Nguyen & Biderman, 2008).
Some results obtained were as expected in this study; however, an unexpected result was obtained. That is, ethical obligation was not found to have a significant influence on respondents’ attitudes about purchasing fashion counterfeits. It was expected that college students who have strong sense of ethical obligations will have less favorable attitudes toward purchasing fashion counterfeits. Yet, results of this study supported Ha and Lennon’s (2006) study which found that ethical ideology was not a significant predictor of intent to buy counterfeit products. The fact that more than half of the respondents in this study did not think buying fashion counterfeits was unethical provided an explanation of why ethical obligation was not found to significantly influence their attitudes toward fashion counterfeits. This finding was similar to Ang et al. (2001) study, who also found that consumers did not consider counterfeit purchases to be unethical. Such situational ethics encourage purchase of counterfeits.

Also, a majority of college students in this study did not identify concerns about the serious economic, social, and political problems caused by fashion counterfeiting businesses around the world; instead they considered fashion counterfeits as an optional choice for their shopping. The fashion industry and public authorities must pay more attention to the demand side of the fashion counterfeits. They must strive to increase the ethical judgment of consumers and awareness of risks in purchasing fashion counterfeit products. To change college students’ attitude toward purchasing fashion counterfeits, it is important to educate them about the negative impacts of the fashion counterfeiting business on society, legitimate industry, government revenue, and the negative consequences resulting from their purchasing fashion counterfeits.
Fashion consciousness and public self-consciousness strongly related to both the benefit beliefs and the risk beliefs of purchasing fashion counterfeits, which in turn, influenced college students’ attitudes toward purchasing fashion counterfeits. College students who had strong fashion consciousness not only had strong beliefs of and considered important the benefits of purchasing fashion counterfeits, such as cheaper price, luxurious image and same details of genuine brands, but they also were concerned about the risks of purchasing fashion counterfeits, such as poor quality and the perceived embarrassment potential associated with being detected for holding fashion counterfeits. Public self-consciousness had similar relationships with beliefs of benefits and beliefs of risks. These results supported Penz and Stottinger (2005), who suggested that consumers who are buying counterfeits may be self-conscious and especially concerned about the impression they make.

Hence, highly fashion conscious and public self-conscious consumers believed that fashion counterfeit products are cheap, that fashion counterfeits offer similar luxurious images and fashion styles as the genuine brands, and that fashion counterfeits have the same details as an original item of same design. At the same time, they were aware of fashion counterfeit’s poor quality and the perceived embarrassment potential.

The sample was relatively homogeneous in general. However, differences were identified in the subjects’ age, monthly spending money on clothing or fashion items, major, and work status. Age and monthly discretionary spending money on clothing or fashion items were found significant in differentiating attitudes toward fashion counterfeits. The results showed that older individuals had less favorable attitudes toward
fashion counterfeits than younger ones, and individuals who spent more money on clothing or fashion items monthly had less favorable attitudes toward fashion counterfeits than those who spent less. The result about age may be due to increased ethical standards for the older students. Previous research suggests that older individuals have higher ethical standards. Serwinek (1992) observed that older individuals appear to be more conservative in their ethical attitudes. Ruegger and King (1992) found that older students tended to make more ethical decisions than younger ones.

The research implications of this study are quite apparent. Findings revealed that the role of ethical judgment was represented through the prediction of behavioral intention and attitudes toward behavior. These findings suggested that any examination of fashion consciousness, public self-consciousness and ethical judgment, as potential antecedents of attitude as well as intention. The current findings are important in furthering the understanding of the role and importance of specific determinants in ethical consumer decision making. With the growing impact of ethical issues on consumers, business and politics, the understanding generated from the present study will serve to advance research applications in the counterfeiting context. The most important thing to remember is that counterfeiting business always exists as long as there are unethical consumers willing to buy.

Recommendations for Future Research

The convenience sampling process adopted in this study, rather than a random sampling process, may impede the generalization of overall consumers’ purchase intent toward fashion counterfeit products. Thus, there are a few recommendations for future
studies. First, sampling from a more heterogeneous population and applying the research to other countries for a cross-cultural examination will be helpful for the external validity. Second, student and nonstudent samples would assist in adding to generalizability of the findings. Third, a sample from metropolitan area, which is easy accessible to fashion counterfeits, will bring different findings. A continuous resampling and reassessment of the population will be essential to maintain understanding of the heterogeneous group. Last, the use of the full frame of the TPB model may result in different results.
REFERENCES


APPENDIX A : IRB APPROVAL

A determination has been made that the following research study is exempt from IRB review because it involves:

Category: 2. research involving the use of educational tests, survey procedures, interview procedures or observation of public behavior

Project Title: Understanding College Students' Purchase Behavior of Fashion Counterfeits. Fashion Consciousness, Public Self-Consciousness, Ethical Obligation and the Theory of Planned Behavior

Project Director: Jinhwa Lee

Department: School of Human and Consumer Sciences

Advisor: Yingjiao Xu

Rebecca Cale
Institutional Review Board

Date: 01/22/09

The approval remains in effect provided the study is conducted exactly as described in your application for review. Any additions or modifications to the project must be approved by the IRB (as an amendment) prior to implementation.
APPENDIX B: SURVEY QUESTIONNAIRE

College Students’ Purchase Behavior of Fashion Counterfeits

NOTE: Completion of this survey implies your consent to use your data. Your response will help me to understand College Students’ purchase behavior of fashion counterfeits. You must be 18 or older to participate in this survey.

**Fashion counterfeit products** are unauthorized, reproduced copies that are identical to the original, genuine fashion products including packaging, trademarks (e.g., handbags, watches, jewelry, athletic shoes, clothes, caps, sunglasses and perfume).

- Have you purchased any fashion counterfeit products?
  - O Yes
  - O No
  - If yes, what was the reason for purchasing fashion counterfeits?
    __________________________________________

Please select a response that best describes the degree of your agreement on the following items.

<table>
<thead>
<tr>
<th>Strongly disagree</th>
<th>Disagree</th>
<th>Slightly disagree</th>
<th>Slightly agree</th>
<th>Agree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
</tr>
</tbody>
</table>

A1. I usually have one or more outfits of the newest style.

A2. When I must choose between the two I usually dress for fashion, not for comfort.

A3. An important part of my life and activities is dressing smartly.

A4. I often try the latest hairdo styles when they change.

A5. It is important to me that my clothes be of the latest style.

A6. A person should try to dress in style.

A7. I like to shop for clothes.
Please select a response that best describes the degree of your agreement on the following items.

<table>
<thead>
<tr>
<th>Strongly disagree</th>
<th>Moderately disagree</th>
<th>Slightly disagree</th>
<th>Neither</th>
<th>Slightly agree</th>
<th>Moderately agree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
</tbody>
</table>

B1. I’m concerned about my style of doing things.

B2. I’m concerned about the way I present myself.

B3. I’m self-conscious about the way I look.

B4. I usually worry about making a good impression.

B5. One of the last things I do before leaving my house is looking in the mirror.

B6. I’m concerned about what other people think of me.

B7. I’m usually aware of my appearance.

C1. I think of myself as someone who is concerned about ethical issues.

C2. I feel that I have an ethical obligation with my purchase of fashion products.

C3. I believe that fashion counterfeiting will hurt the original brand owner’s business.

C4. I believe that counterfeits affect declining economy.

C5. I believe that buying counterfeit products is unethical.

D1. Buying fashion counterfeits is a smart shopping decision.

D2. In generally, I have favorable attitude towards purchasing of fashion counterfeits.
Please select a response that best describes the degree of your agreement on the following items.

<table>
<thead>
<tr>
<th>Strongly disagree</th>
<th>Moderately disagree</th>
<th>Slightly disagree</th>
<th>Neither</th>
<th>Slightly agree</th>
<th>Moderately agree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
</tbody>
</table>

D3a. Fashion counterfeit products are cheap.

D3b. Low price is an important factor to consider for my purchase of fashion products.

D4a. Counterfeits offer similar luxurious image and fashionable style as genuine brands.

D4b. Luxurious image and fashionable style are important to me.

D5a. Fashion counterfeit will have same details as an original item of same design.

D5b. Details are important to me when purchasing fashion products.

D6a. The quality of fashion counterfeits is poor.

D6b. Quality of the fashion product is important to me.

D7a. It is easy for people to recognize fashion counterfeits.

D7b. I will be very upset if people realize that I own fashion counterfeits.

E1. I am willing to buy fashion counterfeits in the future.

E2. If I had the opportunity, I would buy fashion counterfeit products.
Please tell us a little bit about yourself.

• Gender
  O Male
  O Female

• Academic rank
  O Freshman
  O Sophomore
  O Junior
  O Senior
  O Graduate

• Age, please specify____________________

• Major, please specify____________________

• Ethnicity
  O African American
  O Asian
  O Caucasian
  O Hispanic
  O Others, please specify____________________

• On average, how much money do you spend monthly on clothing or other fashion items?
  O Under $100
  O $100 to $199
  O $200 to $299
  O $300 to $399
  O $400 or more

• Work status
  O Work less than 10 hours per week
  O Work 11-20 hour per week
  O Do not work

Thank you for your participation. If you have any questions or comments, please feel free to write them in the space provided below or contact Jinhwa Lee, jl214707@ohio.edu, or my advisor Dr. Yinjiao Xu, xuy@ohio.edu, (740) 593-2880, Apparel, Textiles and Merchandising, School of Human and Consumer Sciences, Ohio University.